Louisiana Public Service Commission



POST OFFICE BOX 91154 BATON ROUGE, LOUISIANA 70821-9154

www.lpsc.louisiana.gov

COMMISSIONERS

Mike Francis

District IV

Craig Greene, Chairman
District II
Eric F. Skrmetta, Vice Chairman
District I
Foster L. Campbell
District V
Lambert C. Boissiere III
District III

Telephone: (225) 342-9888

BRANDON M. FREY Executive Secretary

KATHRYN H. BOWMAN Executive Counsel

August 4, 2021

JOHNNY E. SNELLGROVE, JR Deputy Undersecretary

VIA EMAIL

RFP 21-19 Docket U-36105, Entergy Louisiana, LLC, ex parte. In re: Application for Certification to Deploy Natural Gas-Fired Distributed Generation and Authorization to Implement Rider UODG.

To all LPSC qualified consultants:

Enclosed please find a Request for Proposals ("RFP") for <u>outside consultant</u> issued by the Louisiana Public Service Commission for the above referenced docket. If your firm is interested in submitting a proposal, please review the RFP carefully to determine whether your firm meets the specific requirements to qualify for this representation. All Proposals must include a showing that your firm possesses the requisite qualifications and experience to represent the Commission in this matter. Also, please note that all Proposals, including the original, plus (2) two copies, and an electronic copy must be received on or before Friday, September 3, 2021 at <u>4:30 p.m.</u> Selection of consultants is anticipated to take place at the Commission's September 2021 Business and Executive Session.

Should you have any questions, please do not hesitate to contact me.

Sincerely,

Kathryn H. Bowman Executive Counsel

Enclosure

cc: Brandon M. Frey, Executive Secretary

Melissa W. Frey, Deputy General Counsel

RFP 21-19 LOUISIANA PUBLIC SERVICE COMMISSION REQUEST FOR PROPOSALS ("RFP") August 4, 2021

DOCKET NO. U-36105, Entergy Louisiana, LLC, ex parte. In re: Application for Certification to Deploy Natural Gas-Fired Distributed Generation and Authorization to Implement Rider UODG.

The Louisiana Public Service Commission ("Commission" or "LPSC"), in accordance with the requirements of the LPSC General Order dated November 10, 2014 regarding the selection of contract employees (the "Contract Order"), issues this Request for Proposals ("RFP") to <u>outside consultants</u> who will assist Commission Staff in the review of Entergy Louisiana, LLC's ("ELL" or the "Company") request to certify deployment of natural gas-fired generation as well as authorization to implement a rider associated therewith and cost recovery.

Deviations from the requirements contained herein, or conditional bid amounts may result in rejection of the bid as non-conforming. Consideration of qualifying bids received in response to RFP 21-19 are anticipated to be on the Commission's September 2021 Business and Executive Session.

I. <u>Overview</u>

On July 8, 2021, ELL filed its Application pursuant to General Order dated September 20, 1983 (the "1983 General Order") seeking the Commission's determination that the public convenience and necessity would be served by ELL's ownership and operation of a fleet of Distributed Generation ("DG") located at the premises of host customers. The Company also requests confirmation that its deployment of DG does not implicate the Market-Based Mechanism General Order (General Order dated October 29, 2008) ("MBM Order") because each of the proposed DR will be less than 50MW in size, or in the alternative, that an exemption to the MBM Order is warranted. ELL's application was published in the Commission's Official Bulletin dated July 23, 2021, and the Louisiana Entergy Users Group and the Alliance for Affordable Energy have intervened.

Per ELL's Application, and pre-filed testimony, the Company proposes to own and operate up to 120MW of natural gas-fired DG located at commercial and industrial host customers' premises and installed on the Company's side of the electric meter ("Power Through fleet"). As explained in ELL's Application and accompanying direct testimony, this Power Through fleet will act as "microgrids" installed throughout the Company's distribution system and service the dual functions of: 1) meeting a portion of the capacity and energy needs of ELL's broader customer base during normal operations; and 2) the backup power needs of host commercial and industrial customers during a grid outage.

ELL proposes that the cost of the Power Through fleet be borne not only by the host customers, but also its broader customer base, with the broader customer base's cost limited to the capacity value provided by a new-build combustion turbine.

II. Scope of Representation

Applicants will assist in-house Staff (counsel, auditing, and utilities) with its analysis of ELL's Application to certify deployment of natural gas-fired DR, implementation of a new rider, and associated cost recovery. Such assistance includes, but is not limited to: reviewing the Application, pre-filed direct testimony of two witnesses, and accompanying support; assist in drafting, reviewing, and responding to discovery; assist in preparing direct and cross-answering testimony; aid in drafting pleadings and motions; appear at hearings and open meetings; participate in depositions; assist with trial preparations, including assistance with drafting cross examination of witnesses; review and analyze stipulation terms; and, participate in/conduct informal meetings with the parties and Commissioners as necessary. The scope of work provided herein shall continue through the conclusion of the docket through a Commission vote.

All proposals shall include an outline of a plan of action for conducting the review of ELL's request, including the activities described above. The Commission and its Staff shall have the right to determine how the tasks will be carried out. In addition, all proposals shall be accompanied by a professional firm resume indicating the qualifications and experience necessary to meet the requirements of this RFP. Deviations from the requirements contained herein, or conditional bid amounts may result in rejection of the bid as non-conforming.

III. Period of Representation

This RFP covers a period of representation of approximately 8-10 months. This is merely an estimate and the Commission makes no representations as to the accuracy of the Period of Representation.

IV. Minimum Requirements

To be considered, all Applicants must meet the following minimum requirements in addition to those provided in this Commission's General Order dated November 10, 2014. Consideration will be given to factors which indicate degrees of competence such as the amount of practical experience in the field of public utility practice, and similar practice before this or other regulatory agencies, in addition to the bidder's knowledge of Louisiana ratemaking standards and regulatory law.

Applicants shall have a working knowledge of Louisiana Public Service Commission rulemakings and jurisdictional issues and applicable Commission and federal regulations. Applicants shall at a minimum be experience in analyzing the operations, books, and records of utility companies, particularly investor-owned companies, for the purpose of setting just and reasonable rates. Applicants shall also, at a minimum, have knowledge of:

1) The Commission's General Order No. 2 dated July 1, 1921 requiring all regulated public utilities to maintain tariffs on file with the Commission, as well as the "filed rate" doctrine.

- 2) The Commission's General Order dated March 12, 1974 prohibiting "promotional practices" by public utilities.
- 3) The Commission's General Order dated April 20, 2012 (Corrected) (Docket No. R-30021) regarding electric utilities filing Integrated Resource Plans.
- 4) The Commission's General Order dated July 1, 2019 (Docket No. R-34738) providing requirements for all jurisdictional electric utilities when filing tariffs, rate schedules and rate riders with the Commission.
- 5) Midcontinent Independent System Operator ("MISO") tariffs, rules and planning processes, generally.
- 6) Electric utility ratemaking and general issues such as accounting standards and practices;
- 7) ELL's recently extended Formula Rate Plan and the mechanics thereof memorialized in Order No. U-35565; and
- 8) General familiarity with the Commission's pending rulemaking regarding customer-centered options for all electric customer classes in Docket No. R-35642.

V. <u>Estimate of Costs</u>

All Applicants responding to the Request for Proposal shall quote their rates on an hourly basis and shall also submit a total, not to exceed budget, which shall separate professional fees from costs. Along with providing the above, Applicants should provide an overview of the estimated costs in the summary of the bid proposal.

However, Applicants shall only be allowed to charge for actual hours of work performed and costs incurred. Once selected, an Applicant's rates and budget shall not be altered except by formal approval of the Commission.

VI. Conflict of Interest

Applicants shall prominently and separately disclose current, as well as past employment, which could possibly result in a conflict of interest. In addition, Applicants shall disclose matters in which they currently represent clients before the Commission.

VII. <u>Billing Guidelines</u>

As required by the November 10, 2014 General Order, all bills will be rendered monthly and shall specifically identify and describe all work performed, the person performing such work, the time and charge for such work, and shall additionally show the total amount billed to date and the

authorized original estimate. Bills will be rendered in strict accordance with the Commission's guidelines. Expenses shall also be separately disclosed with proof of such expenses attached.

Expenses, where applicable, shall be reimbursed at state authorized rates as specified in the Travel Policies and Procedures Memorandum issued by the State of Louisiana, Division of Administration in effect at the time such expenses are incurred ("Allowable Expenses"). Any expenses that exceed the Allowable Expenses shall be borne by the contract employee and shall not be reimbursed by either the Commission, or the correspondent utility, unless otherwise specified by the Commission.

VIII. Reservation of Rights

The LPSC reserves the right to reject any and all proposals, to amend and/or supplement this RFP at any time, and to consider proposals or modifications thereof received at any time prior to LPSC vote at Open Session, if such action is found by the LPSC to be in the public interest. Pursuant to the Contract Order regarding the selection of contract employees, the LPSC has the right to accept other than the lowest offer with regard to price. In addition, there is also no assurance, express or implied, that an award will necessarily be made pursuant to this RFP.

IX. Submission of Proposals

Interested parties should submit the original (hard copy), 2 copies, and e-mail an electronic copy of the proposal to:

Kathryn H. Bowman
Executive Counsel
Louisiana Public Service Commission
602 North Fifth Street (Galvez Building) (70802)
P.O. Box 91154
Baton Rouge, Louisiana 70821-9154

Phone: (225) 342-9888 Fax: (225) 342-5610

Email: kathryn.bowman@la.gov

To be considered, an original, two copies, and the electronic copy of the proposal must be received on or before Thursday, September 3, 2021 at 4:30 p.m. Selection of consultants is anticipated to take place at the Commission's September 2021 Business and Executive Session, which is currently scheduled for September 15, 2021. Information concerning billing procedures and the Commission's RFP policy may be obtained from the address listed above, or by calling (225) 342-9888.